

Mail PO Box 5310 Stateline, NV 89449-5310

Location 128 Market Street Stateline, NV 89449

Contact

Phone: 775-588-4547 Fax: 775-588-4527 www.trpa.gov

MEMO

Date: July 11, 2022 (Updated July 28, 2022)

To: Local Jurisdiction Community Development, Housing and Transportation Staff

Tahoe Living Housing and Community Revitalization Working Group

Washoe Tribe of Nevada and California

From: Karen Fink, Tahoe Regional Planning Agency

Re: Overview of TRPA's "Tahoe Housing Catalyst" application to the California

Regional Early Action Planning (REAP) 2.0 Program

Summary

This memo summarizes TRPA's approach to developing a "Tahoe Housing Catalyst" application to the State of California's Regional Early Action Planning (REAP) 2.0 Program and identifies opportunities for input from partners and the community. TRPA requests initial input on the program by July 31, 2022.

Background

The California Department of Housing and Community Development (HCD), in collaboration with the Office of Planning and Research (OPR), the Strategic Growth Council (SGC), and the State Air Resources Board (CARB), has released the Notice of Funding Availability and Final Guidelines – Metropolitan Planning Organization Allocation Regional Early Action Planning Grant (REAP 2.0) (Attachment A). The principal goal of REAP 2.0 is to make funding available to Metropolitan Planning Organizations (MPOs) and other regional entities for Transformative Planning and Implementation Activities that meet Housing and equity goals, reduce Vehicle Miles Traveled (VMT) Per Capita, and advance implementation of the region's Sustainable Communities Strategy (SCS).

The REAP 2.0 grant program seeks to accelerate progress towards state housing goals and climate commitments through regional actions. The State program goals are to accelerate infill housing development, reduce vehicle miles traveled (VMT), increase housing supply at all affordability levels, affirmatively further fair housing, and facilitate the implementation of adopted regional and local plans to achieve these goals.

Eligible applicants for REAP 2.0 funds are MPOs and Councils of Governments. The TRPA fulfills the role of the Tahoe Metropolitan Planning Organization (TMPO) and has been identified in the guidelines as being eligible for approximately \$600,000 of formula REAP 2.0 funding. Funds must be encumbered no later than June 30, 2024 and expended no later than June 30, 2026. MPOs may suballocate funding to other forms of governments or entities per the requirements in Section 401 and Section 406 of the guidelines.

Tahoe Housing Catalyst Program Description

TRPA anticipates submitting one application for a comprehensive Tahoe program of projects to the REAP 2.0 grant program. Where elements of the comprehensive program are to be implemented by local jurisdictions or other partners, TRPA will then enter into agreements with those entities to expend the funds according to the REAP 2.0 funding requirements.

REAP 2.0 Objectives include:

- (A) Accelerating Infill Development that Facilitates Housing Supply, Choice, and Affordability
- (B) Affirmatively Furthering Fair Housing
- (C) Reducing Vehicle Miles Traveled

The Tahoe Housing Catalyst application must demonstrate a nexus to all REAP 2.0 objectives and provide a reasonable and verifiable methodology.

Due to the availability of multiple alternative funding sources for transportation-related projects and the somewhat more limited funding for regional planning related to infill development and affordable housing, and due to the linkage between infill development and reductions in VMT, the Tahoe Housing Catalyst Program application for the REAP 2.0 funding proposes to have a focus on housing-related projects and programs that support Regional Plan goals of walkable, sustainable communities, rather than on transportation projects which may be eligible for other sources of funding. However, TRPA will give strong consideration to projects which both accelerate housing production and contribute to reductions in VMT. In addition, the TRPA will look to support the principles emerging through the "Transportation Equity Study" process.

The Tahoe Housing Catalyst program will focus on the following three categories of projects and programs:

Supporting Walkable Neighborhoods and Town Centers through Infill Development and Diversifying Housing Choice and Affordability:

- Accelerating infill housing production near jobs, transit, and resources (includes planning).
- **Completing environmental clearance** to eliminate the need for project-specific review for infill development that facilitates housing supply, choice, and affordability.
- Infrastructure planning including for sewers, water systems, or other public facilities necessary to accelerate infill development that facilitates housing supply, choice, and affordability.

Funding Programs:

- Establishing and funding an **affordable housing catalyst fund**, trust fund, or revolving loan fund for location efficient projects.
- Rental assistance approaches to support Impacted Households in securing stable, longterm housing.

Sustainable Communities Strategies and Regional Housing Needs Assessment (RHNA) Support:

 Rezoning and guiding development by updating planning documents and zoning ordinances, including general plans, area and community plans, specific plans, and Sustainable Communities Strategies (the Regional Transportation Plan and Regional Plan).

Project Evaluation

To determine which projects to include in a comprehensive program, TRPA will evaluate projects according to the REAP 2.0 Threshold Requirements (Section 203). The program as a whole must show:

- A nexus to all REAP 2.0 objectives, utilizing numeric metrics
- A significant beneficial impact
- Benefit disadvantaged and historically underserved communities
- Include targeted outreach to disadvantaged and historically underserved communities, including Tribal Entities, particularly "Impacted Households" and "Disproportionately Impacted Households"¹
- Geographic equity
- Region-wide impact benefiting impacted households
- Focus implementation in areas that satisfy infill development
- Provide an appropriate mix of implementation and planning activities²

TRPA will propose and develop final metrics after receiving input on metrics through consultation with stakeholders and reviewing the range of initial projects proposed through this request. Examples of metrics that may be used include:

- Number of affordable, moderate, and achievable housing units a project will provide, support, or facilitate
- Number of existing housing units continued to be made available and affordable
- Project or Program cost effectiveness
- Mix of housing unit sizes
- Distribution of projects within Higher or Moderate Resource Communities or Areas;³ negatively impacted areas from the pandemic; concentrated areas of poverty, historically disadvantaged communities, and/or lost or reduced service areas, with the goal of a final distribution of projects and policy impacts in multiple areas
- Location with respect to transit, town centers, and the Bonus Unit Boundary
- VMT reduced per capita
- New or enhanced transit services and frequencies
- Connections to the active transportation and transit networks
- Reduction of housing and transportation cost burden on impacted households
- Alignment with other applicable metrics (such as those to be identified in the equity study) as appropriate and available.

Public Outreach

TRPA will conduct public outreach on the proposal with local partners, disadvantaged and underserved communities, and the general public through one-on-one meetings, e-mail outreach, Tahoe Living Working Group and other Governing Board hearings, and the Tahoe Living Housing Working Group webpage, and other means. This outreach will be consistent, to

¹ See "Definitions," Attachment 2 of the final guidelines

² This mix will be further clarified through consultation with the Department of Housing and Community Development and the State Collaborative Partners.

³ See "Definitions," Attachment 2 of the final guidelines

the extent applicable, with the TRPA's Public Participation Plan and recommendations from the upcoming Equity Study. Additionally, project partners who will receive grant sub-allocations will be expected to conduct and report on project outreach conducted as part of the overall program. TRPA will coordinate with selected project partners on all public outreach to ensure it meets REAP 2.0 requirements and consistency across the region.

Schedule

TRPA will use the following process to solicit input and develop a final project proposal:

July 2022

- Solicit input from stakeholders on:
 - Overall Tahoe Housing Catalyst Program
 - Initial project and program ideas (due August 3, 2022)
 - o Evaluation metrics
- Post process on webpage

Input will be gathered through a request form and one-on-one follow-up with local jurisdictions and representatives from underserved communities.

August 2022

• TRPA staff develop initial proposal, based on input received in July

September 2022

- Release draft program proposal, including evaluation matrix
- Local Government and Housing Committee approve program proposal

October 2022

 TRPA staff make final project and program selection, using approved program proposal and metrics

November 2022

Endorsement of final proposal from TMPO Governing Board

December 2022

 Submit final proposal to California Department of Housing and Community Development

June 30, 2024

• Encumbrance Deadline. All funds must be awarded and encumbered.

June 30, 2026

• Expenditure and Close-out Report

April - June of every year*

• Annual Reports. Recipients must submit an annual report every year.

Next Steps

TRPA requests that by August 3, 2022, stakeholders addressed in this memo fill out one online form for each proposed project or program. The form is available here: https://arcg.is/155aqz. The online form also requests that stakeholders provide general input on the Tahoe Housing Catalyst Program and proposed evaluation metrics. These final two questions need only be filled in once.

Contact

For more information or questions contact Karen Fink at kfink@trpa.org or 775-589-5258.

<u>Attachments</u>

Attachment A: <u>Notice of Funding Availability and Final Guidelines – Metropolitan Planning</u>
<u>Organization Allocation Regional Early Action Planning Grant (REAP 2.0)</u>

Attachment B: Initial Input Form, https://arcg.is/155aqz